



Mike Kadas
Director

Montana Department of Revenue



Steve Bullock
Governor

Memorandum

To: Mike Kadas, Director
Montana Department of Revenue

From: Eric Dale, Tax Policy and Research
Montana Department of Revenue

Date: June 30, 2017

Subject: Small business impact analysis of rules relating to excluding certain bees from per capita livestock fees in accordance with of HB 345 of the 2017 Legislature.

HB 345 clarifies that only honey bees must be reported and are subject to per capita livestock fees. By specifying that only honey bees are subject to the fees, HB 345 exempts other bees from the fee. The primary exempted type of bee is the alfalfa leafcutter bee.

According to the Montana Department of Agriculture the alfalfa leafcutter bee is used to help pollinate and increase the yield of alfalfa seed. There are an estimated 35 individuals registered to possess these types of bees in Montana.

According to the Montana Department of Livestock, the current per capita livestock fee for bees is \$0.41 per hive, with the minimum fee for all fee payers of \$5.00. This is the reduction an owner of alfalfa leafcutter bees would see in their per capita livestock fees. However, this reduction is the result of HB 345, and not the result of the rule change, and thus there is not anticipated to be an impact on small business as a result of the rule change, even if there is a small impact as a result of the legislation.